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BUSH PLEDGES SECURITY, ECONOMIC, DIPLOMATIC SUPPORT TO IRAQ

President recalls visit to Baghdad in weekly radio address to American people

The United States will continue to provide security, economic and international assistance to the government of Iraqi Prime Minister Nouri al-Maliki as it seeks to accomplish its objectives for Iraq, President Bush pledges.

Speaking in his weekly radio address to the American people June 17, Bush said al-Maliki's "top priority" is to secure Baghdad, and U.S. and coalition troops will help improve security by continuing to embed transition teams in Iraqi army and police units. "[W]e will help the new Iraqi Ministers of Defense and Interior improve their command and control, root out corruption, and investigate and punish human rights violations," he said.

The United States also will support Prime Minister al-Maliki's efforts to "rein in illegal militias, build a judicial system that will provide equal justice to all, and promote reconciliation among the Iraqi people," according to the president.

To help revitalize the Iraqi economy, President Bush intends to send additional U.S. experts to help the Iraqi government develop an economic framework to promote job creation and business opportunities for all Iraqis. The United States also will help increase oil and electricity production by working with Iraqi authorities to protect key infrastructure from terror-

ist attacks, and to help quickly restore oil and electricity production should attacks occur.

The United States also will encourage international donors to fulfill the monetary pledges they have made to Iraq, and will help al-Maliki in his efforts to forge a new international compact. "Under this compact, Iraq will take a series of steps in the political, economic, and security areas, and in return, the international community will provide Iraq with more robust political and economic support," Bush said.

The president recalled his surprise June 13 visit to Iraq and said he had undertaken the trip "to personally show our nation's commitment to a free Iraq," adding it is "vital" for the Iraqi people "to know with certainty that America will not abandon them after we have come this far."

He said he was impressed with al-Maliki, and "was able to see firsthand his strong character and his determination to succeed."

WTO STILL DIVIDED OVER AGRICULTURAL TARIFFS, U.S. NEGOTIATOR SAYS

USTR's Hafemeister rebuts criticism of U.S. proposal on domestic support

By Bruce Odessey
Washington File Staff Writer

Washington -- A deal on agricultural market access is still beyond reach with little time left for World Trade Organization (WTO) negotiations, a U.S. trade official says.

After a week of agriculture negotiations, Jason Hafemeister, assistant U.S. trade representative, told reporters in Geneva June 16 that participants remain far apart over tariff cuts, exceptions for politically sensitive products and limits on temporary safeguards to restrict import surges.

"We're not there," Hafemeister said. "We still have some serious differences in this area of the negotiations."

The WTO aims for conclusion of the broader negotiations, formally called the Doha Development Agenda, by the end of 2006, well ahead of the mid-2007 expiration of the U.S. president's trade negotiating authority.

Almost since its 2001 launch, the Doha round has remained nearly stalled over the politically difficult agricultural trade issues, especially market access.

"Without market access we don't deliver on the Doha promise," Hafemeister said. "Without market access we don't create the gains from trade. Without market access we can't have a balanced package in any saleable sense anywhere."

To meet the deadline for the end of the year, he said, agriculture negotiators must agree at least on modalities, or a specific framework and timetable, before the WTO takes its summer break in August.

"Whether that's June or July, I'm not particular," he said.

Ministers from some key countries are expected to convene in Geneva the last week of June to try to advance the negotiations. A potentially crucial WTO General Council meeting is scheduled for the last week of July.

In October 2005, the United States proposed deep cuts in domestic support spending for farmers by wealthy countries and in agricultural tariffs by wealthy and rapidly growing developing countries.

New U.S. Trade Representative Susan Schwab reiterated just days ago that the U.S. proposal remained conditional on other countries offering significant new market access for U.S. exports through tariff cuts. By nearly all analysis, tariff cuts proposed by the European Union (EU) would amount to no real increase in market access. And under any existing proposal, the EU would still be allowed to spend on domestic support multiple the level allowed to the United States.

At the Geneva briefing, Hafemeister rebutted EU's claims that under its proposal the United States could still spend as much or more money on domestic support as it spends now.

He said the United States would have to cut the most trade-distorting domestic support, in a category the WTO calls the amber box, from \$19 billion to \$7.6 billion a year and cap counter-cyclical spending, which assists farmers when commodity prices fall.

“When you combine those two together, the two most trade-distorting boxes, there are real cuts, and there’s no avoiding that,” Hafemeister said.

Even an increase in what is called de minimis spending could not evade real cuts in domestic support, he said. Under the existing WTO agreement, de minimis trade-distorting product-specific domestic support -- in which the aggregate value does not exceed 5 per cent of the total value of production -- is not subject to reductions. The U.S. proposal would cut the de minimis ceiling to 2.5 percent.

Hafemeister rejected an EU demand for even more U.S. concessions.

“We’ve made a very strong offer, it hasn’t been responded to, and it’s not really a good use of our time to continue to explore strengthening our offer when we’re still very unbalanced with what’s on the table,” he said.

FREE TRADE ESSENTIAL FOR GLOBAL POVERTY REDUCTION, BUSH SAYS

President urges completion of Doha round of trade talks

By Kathryn McConnell
Washington File Staff Writer

Washington -- Free trade is essential for reducing global poverty, says President Bush.

Speaking June 15 to approximately 200 U.S. business executives, civic leaders and policy experts in Washington, Bush challenged all countries to reduce trade barriers to make development aid more effective and to complete the Doha Development Agenda trade talks.

“The strategy to defeat extreme poverty begins with trade,” Bush said at the 2006 National Summit to end poverty sponsored by the private-sector Initiative for Global Development (IDG).

“Prosperity as a result of trade is more likely -- 10 times more likely to have a positive effect on somebody living in a poor society than just investment and grants,” Bush said.

However, other countries are restricting progress in promoting free trade, Bush said.

“ROUGH SLEDDING”

Efforts successfully to complete the Doha round of trade talks are currently “rough sledding” for the United States, the president said. He called for Europe in the negotiations to make “tough decisions” to drop trade barriers in agriculture, for the Group of 20 (G-20) major industrialized nations to open up trade in manufacturing and for all nations to give more access to their markets.

Ministers of World Trade Organization (WTO) member countries have set the end of 2006 as the goal of concluding the Doha round of trade negotiations that began in November 2001.

Saying the United States already has proposed eliminating its tariffs, subsidies and other barriers to trade, Bush said, “We expect other nations to do the same.”

Also at the summit, Karan Bhatia, the deputy U.S. Trade Representative, said the biggest challenge the United States faces in advancing free trade is convincing developing countries to open their markets to exports from other developing countries. More than 70 percent of duties paid by developing countries are paid to other developing countries, reducing the amount of money these countries have to spend on lifting their people out of poverty, he said.

Bhatia said developing countries need to prioritize trade in their national development plans by creating trade-facilitating infrastructures, efficient and noncorrupt customs systems, and clear and transparent regulatory regimes.

POVERTY REDUCTION IN THE NATIONAL INTEREST

Bush also said helping countries stabilize through poverty reduction is in the interests of U.S. national security because “weakened, impoverished states are attractive safe havens for terrorists and tyrants and international criminals” and “young people without opportunities are susceptible to ideologies of hatred.”

He said reforming existing aid programs is needed to let U.S. taxpayers know that aid “money is not only being spent, it’s being spent wisely” on programs that require recipient countries to adopt anti-corruption reforms and implement strategies that are transparent and have measurable outcomes.

The president said that since 2002, U.S. spending on foreign aid has more than doubled to \$27.5 billion a year, representing the administration's commitment to increasing resources for fighting poverty around the world, rewarding developing nations that make economic and political reforms and expanding education for women and girls.

But, he added, Congress would be "shortchanging" the administration's development goals by not approving his full request for foreign aid for the fiscal year beginning October 1 (fiscal year 2007).

Trimming his request would "undercut our long-term security and dull the conscience of our country" about the "moral duty" of the United States to fight poverty, Bush said.

The House of Representative June 9 passed a foreign aid spending bill that is 10 percent less than Bush's request. The Senate has not yet acted on its version of a foreign aid bill.

Also addressing the meeting, Randall Tobias, U.S. director of foreign assistance and administrator of the U.S. Agency for International Development (USAID), said that "countries can't progress without stability and economic growth."

"Extreme poverty is the root cause of many of the world's gravest problems," and fosters instability said former Secretary of State Colin Powell, introducing Bush.

"IDG's founders understand this inextricable link and have created a vehicle to increase security by eliminating global poverty," Powell said.

The Initiative for Global Development believes it is in the national interest of the United States for business and civic leaders "to take a leadership role in eliminating extreme global poverty" by building a national business network" to help reach it, according to the organization.

IDG was founded in 2003 by the Bill Clapp, its chief executive officer; former U.S. Senator Dan Evans; Bill Gates, father of the founder of software giant Microsoft; William Ruckelshaus, former administrator of the U.S. Environmental Protection Agency (EPA); and John Shalikashvili, former chairman of the Defense Department's Joint Chiefs of Staff.

UNITED STATES SEES 2006 AS CRUCIAL YEAR FOR KOSOVO AND ITS REGION

State's DiCarlo testifies before Helsinki Commission on situation in Balkans

Washington – The Bush administration continues to view 2006 as a crucial year for the Balkans, placing renewed emphasis on integrating the region with Europe while pursuing a permanent settlement for Kosovo, a senior U.S. diplomat says.

"As we move forward to resolve the one major outstanding issue – the future status of Kosovo – we have the opportunity to put the conflicts of the 1990s behind us once and for all," the State Department's Rosemary DiCarlo told a congressional panel June 15.

"But we cannot resolve Kosovo's status without devoting increased attention to the entire region," she added. "Therefore, the administration has intensified its engagement with the countries of South Central Europe and is committed to pursuing a policy that will accelerate the region's integration into the Euro-Atlantic community."

DiCarlo is deputy assistant secretary of state for South Central Europe in the State Department's Bureau of European and Eurasian Affairs. Her remarks were delivered at a hearing of the Commission for Security and Cooperation in Europe (CSCE), commonly known as the Helsinki Commission.

Kosovar Albanians make up more than 90 percent of the province's population and seek independence from Serbia, which for centuries has claimed deep cultural ties to Kosovo. The United Nations has administered the province since 1999, when a U.S. and NATO military campaign drove out Serb forces in response to a pattern of human rights abuses. U.N.-sponsored talks began early in 2006 to determine Kosovo's future status, and U.N. Secretary-General Kofi Annan has said the talks could result either in autonomy -- with the province remaining formally part of Serbia -- or independence.

The government of Serbia is particularly concerned about the safety and protection of ethnic Serbs in Kosovo, who have been targeted by ethnic violence.

"I'd like to stress that a stable, prosperous Serbia is key to stability in the region," DiCarlo told the Helsinki Commission.

She told the commission that the United States intends to continue being part of an international civilian and military presence that would remain in Kosovo after the future-status talks conclude, DiCarlo said. The goal would be a “seamless transfer” from U.N. administration to whatever administration is agreed upon by the status talks.

The past several years have “witnessed a marked overall improvement in human rights, democracy and the rule of law in South Central Europe,” she said. “Today the image of the Balkans is no longer that of a dark and dangerous corner of Europe, but a place where democratic governments are in place and progress is apparent every day.”

Still, she said, “Euro-Atlantic integration cannot be achieved without progress in key areas.” For example, six indicted war criminals still have not been taken into custody throughout the Balkans, she said. And, although the majority of refugees and displaced persons have returned to their homes or found new homes, approximately 650,000 remain displaced.

“Just as there can be no true reconciliation until all war criminals have been brought to justice,” DiCarlo said, “there can be no lasting peace until religious and ethnic minorities feel welcome and secure.”

In March, DiCarlo participated in a State Department-sponsored webchat in which she said Kosovo’s current situation is “unsustainable and undesirable” and “risks creating further instability in the region.” She also said the settlement “must ensure that multi-ethnicity is sustainable in Kosovo.”

In recent developments in the Balkans, Montenegro on May 21 voted to end its 88-year-old union with Serbia. On June 3, Montenegro formally declared independence, and Secretary of State Condoleezza Rice said on June 13 that the United States has recognized Montenegro as an independent state.

AMERICAN MUSLIMS TO VISIT EUROPE IN NEW CITIZEN DIALOGUE PROJECT

Four delegates to visit Germany, Netherlands, Denmark to discuss U.S. experiences

By Marissa Eubanks
Washington File Staff Writer

Washington -- The United States and Europe are going through significant debates about immigration and integration right now, so “there is a lot we can learn from each other,” says Mehdi Alhassani, 22, an American Muslim from Boston.

“Europe is a very critical fault line of the East and West,” he said. “If you look at how fast [immigration is] growing in Europe, it’s essential that we get this right.”

Alhassani, the son of Iraqi immigrants, is one of four Muslim-American community leaders who embark June 17 for Europe to meet with hundreds of European Muslims in Berlin, The Hague, Netherlands, and Copenhagen, Denmark, as part of the Citizen Dialogue program of the U.S. State Department.

The five-day program is an effort to mobilize and amplify the voices of U.S. Muslims and Arab Americans, to encourage a cross-cultural dialogue and to advance diplomacy, according to Heidi Fincken, special adviser to Under Secretary of State for Public Diplomacy Karen Hughes.

The delegates will serve as a bridge between the Muslim world and the United States, Fincken said. The Citizen Dialogue program sets up forums of exchange so that American Muslims can meet with European Muslims to present a genuine view of their lives in America.

Alhassani has participated in many interfaith dialogues, political debates and events to help educate people about Islam. Now he hopes to help educate others about his experience as a Muslim American.

“From my time studying abroad in London and traveling to the Middle East, I realized that there is a general impression that Muslims in American are not treated well and are discriminated against,” said Alhassani. “I’ve had numerous conversations with people abroad explaining to them how untrue that is and explaining to them that while there have been some unfortunate incidents, the vast majority of Americans want to learn more about

Islam, and that Muslims live great lives in America.”

Alhassani said he feels that these dialogues are an opportunity for him and other American Muslims to assume an active role in dispelling myths about the United States and of working towards the goal of a “peaceful and free society.”

“It is really important Muslim Americans make it clear that Americans treat Muslims like every other American. People are always shocked when I tell them things such as how there is a Friday prayer service held in the Capitol Building [in Washington] for all the Muslim congressional staffers,” he said.

Alhassani and the other delegates will have many opportunities to engage directly with European-Muslim community members and answer questions about the place of Muslims in American society. Over five days the delegates will participate in town hall meetings, community events, mosque visits and volunteer work.

Under Secretary Hughes established the Citizen Dialogues program in response to requests she received from European Muslims during a trip to Germany early this year. She met with a group of German Muslims who wanted the opportunity to meet with American Muslims to hear about their experiences living in the United States.

Hughes plans on organizing three more groups of Muslim-American community leaders who will participate in similar exchanges in South Central Asia, the Middle East and the East Asian Pacific regions.

The other delegation members for the June 17 trip are Farah Pandith, director for Middle East Regional Initiatives of the National Security Council of the White House; Yahya Basha, a physician and president of Basha Diagnostics; and Talal Eid, an imam who ran the Islamic Center of New England for many years.

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